

CHAPTER I

PRELIMINARY

1.1 Overview of Research Objects

1.1.1. History of This is April



Figure 1. 1 This is April Store

Source: Central Park (2021)

A fashion brand created by the nation's children, This is April has opened outlets overseas. This local brand has successfully stolen the hearts of fashion lovers with its fashionable, comfortable, and up-to-date collections. This is April is a women's clothing brand that has an attractive design that is modern and fashionable at an affordable price.

The EO and Founder of This Is April, Maria Anggraini, said the main strategy was to find suitable suppliers so that the prices of local branded products or brands could still be affordable. In running the business that she

has started since 2012, Maria said, some challenges must be faced as a local brand that must compete with brands that are already worldwide. Maria initially ran the restaurant. This hotel school graduate is interested in the fashion business because she likes the fashion styles of young women that she sees when traveling abroad. However, thanks to teamwork and a clear vision, Maria has finally succeeded in developing the This Is April brand to have 64 retailers in Indonesia and one in Malaysia.

1.1.2. Organization Structure of This is April

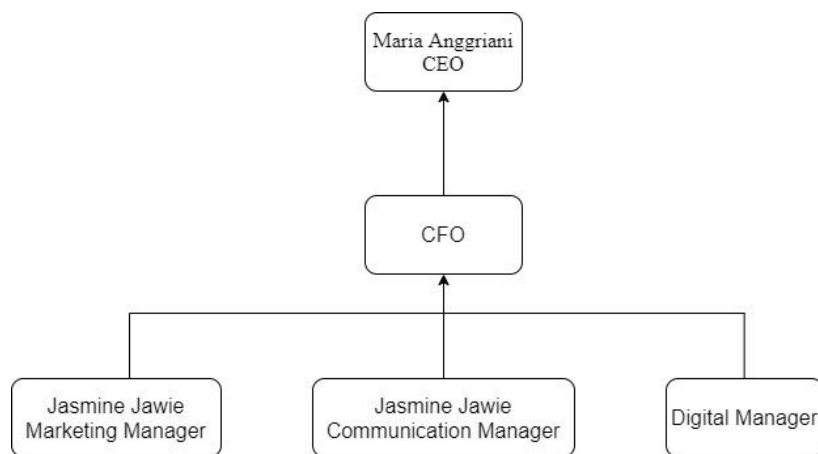


Figure 1. 2 Organization Structure of This is April

Source: Kompas (2018)

1.1.3. Product of This is April

The products sold at the This is April store are women's clothes such as dresses, shirts, blouses, pants, shoes, and other accessories.

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THIS IS APRIL

NEW ARRIVALS

CATEGORIES

SALE

DENIM

ABOUT US

OUR STORES

BLOG

SIGN IN

EN

CONFIRM PAYMENT

IDR

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Q



Pamela Classic Button down Shirt - Taupe 17632
IDR 229,000.00



Zoya Loose Tank Top - Black 611290
IDR 209,000.00



Elowen Pocket Linen Outer - Choco 176250
IDR 249,000.00



Elia Knitted Top - Black 176228
IDR 209,000.00



Moscow Linen Stripped Pants - Ivory 276210
IDR 249,000.00



Itzy Knit Tank Top - B
IDR 179,000.00

Have any question?
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Nicole Shorts Pants - Light Denim 276835
IDR 229,000.00



Julia Basic Sweater - Blue 176242
IDR 239,000.00



Itzy Knit Tank Top - White 176363
IDR 179,000.00



Orla Oversize Button down Linen Shirt - Blue 176330
IDR 229,000.00



Orla Oversize Button down Linen Shirt - Khaki 176330



Ellen Top - Cream 176330
IDR 219,000.00

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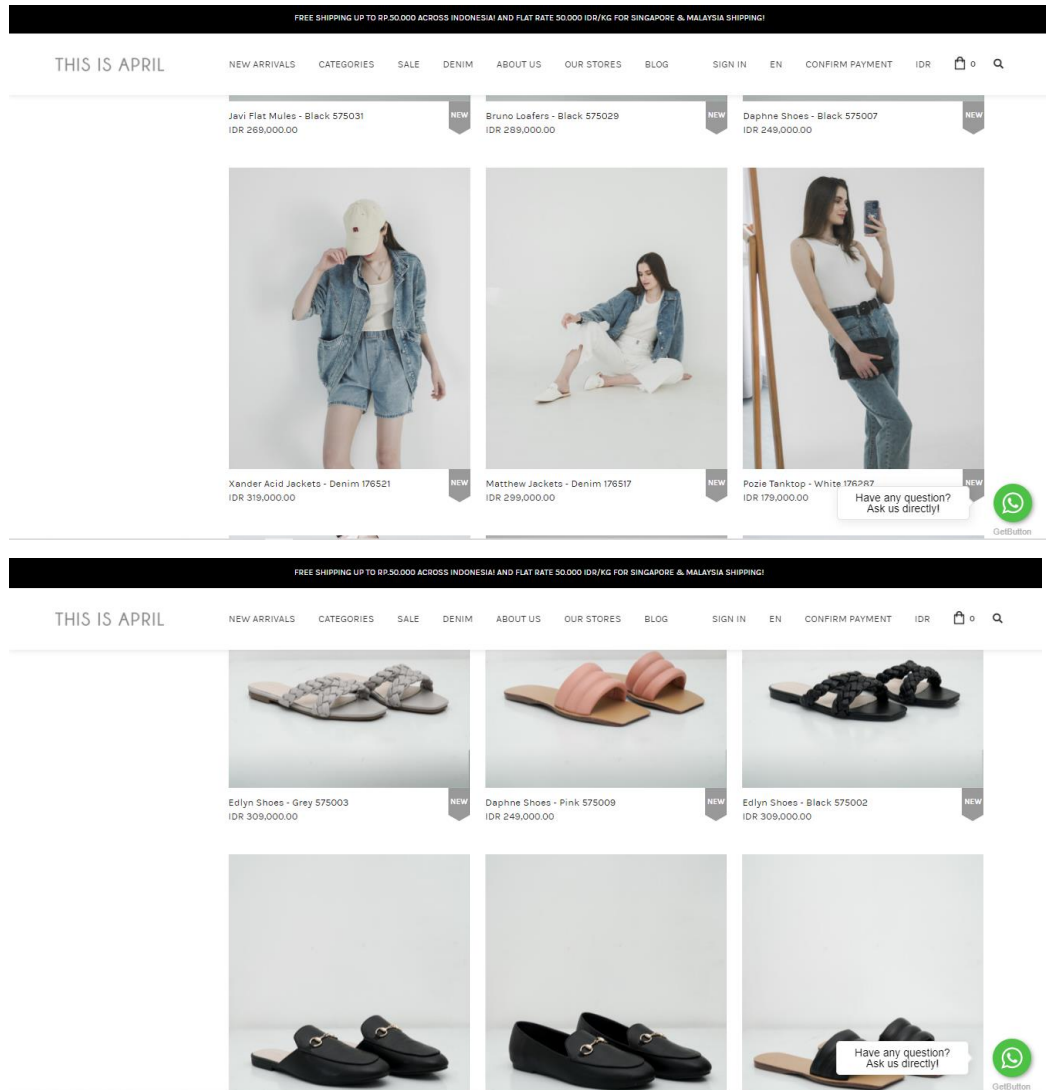


Figure 1. 3 Product of This is April

Source: Website This is April (2021)

1.1.4. Logo of This is April

THIS IS APRIL

Figure 1. 4 This is April Logo

Source: Blibli (2020)

The logo that I use is the name of the shop because according to the CEO it looks more simple and elegant. The name This Is April refers to the month the fashion business was launched. At that time, roughly everything would be ready in April, so just use it as a brand. Coincidentally she and her child were born in April. April, which is spring, according to Maria, also has the connotation of a cheerful and growing impression.

1.2 Research Background

At this time the development in the world of fashion has increased rapidly. This shows that Indonesian have realized to look attractive and follow the development of fashion that is currently developing. Even in 2021, there will be a row of fashion trends, from models, colors to fashion styles, which are predicted to become trends and and definitely keep up with the times (blogunik.com,2020).

According to the Directorate General of Aptika, in 2021 internet use in Indonesia will increase by 11% from the previous year, from 175.4 million to 202.6 million users (Kominfo, 2021). According to Lazarevic (2012), the age range known as the millennial generation or generation Y is the most dominating internet user, the millennial generation was born between 1980 and 2000, the majority of whom have grown up with technological advances such as computers and the internet. This generation is naturally active users of social media and active mobile devices and applications that keep millennials connected with friends and family (Lazarevic, 2012). The use of social media is dominated by the millennial generation, this generation says that they are more likely to search for brands on social media than search for them on search engines (wearesocial.com, 2021).

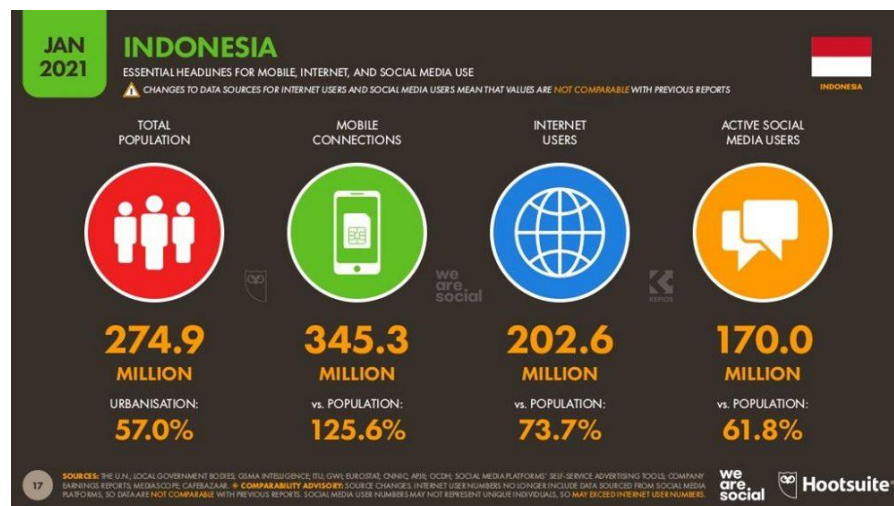


Figure 1. 5 The Population and Internet Users in Indonesia

Source: Hootsuite (2021)

Based on figure 1.5 according to Hootsuite statistics (2021), the total population in Indonesia is 274.9 million people, with 73.7% of the population

being internet users and 61.8% active users on social media. From the results obtained, it can be concluded that for now the public can easily get new information and it is easy to be influenced from one person to another. Through digital marketing, communication and transactions can be done in real-time.

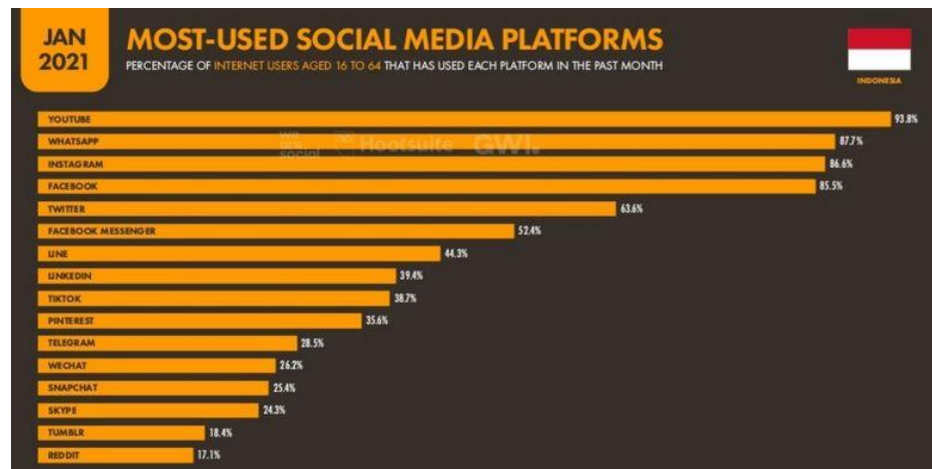


Figure 1. 6 Most Used Social Media Platforms

Source: Hootsuite (2021)

Based on figure 1.6 according to Hootsuite (2021), active social media used in Indonesia was first achieved by YouTube 93.8%, WhatsApp 87.7%, Instagram 86.6%, and Facebook at 85.5%. Through the use of the data platform above, we can conclude that as a reference business people can use it to promote and introduce products through this platform.

According Prasetyono (2017), human needs are increasing, so that can cause why many people are competing to create sophisticated technology. Social media has become a choice all over the world and affects its users. Through social media, information can be received worldwide anytime and anywhere without time restrictions, through various electronic devices such as

computers, mobile phones, and allows users to interact where effective two-way communication occurs (Bernhardt, Mays, & Hall, 2012).

The use of media such as billboards, banners, brochures to radio, and TV media has been quite effective in promoting shopping centers so far. Whether it's through Short Message Services, internet-based chat media, or social media. Currently, technology has developed rapidly and has begun to change people's lifestyles. Through digital media, the public can easily participate in forums or social networks, and can easily find a complete description of a product.

In addition to social media, the millennial generation also involves peer influence in making purchases. In purchases, the millennial generation seeks peer or peer approval to increase self-confidence and feel more comfortable when in a group. The influence of peers on purchasing decisions also occurs in consumer behavior, which is an important phenomenon because customers are always influenced by reference groups, especially from family, relatives, co-workers and peers. This is evidenced by research conducted by Gillani (2012), Lia and Chen (2009), and Gulati (2017) where the influence of peers has a positive influence on purchasing decisions.

Recommendations from other customers are usually considered more trusted than promotional activities originating from the business and can greatly influence purchasing decisions by an item (Paludi, 2017). Research shows that Social Media in E-WoM has a relationship with a purchase decision. According to research conducted by Bernhardt, Mays, & Hall (2012), social media has become the media of choice worldwide and can influence consumer behavior. In Zhang, Omran, & Cobanoglu's research (2017), it is stated that the millennial generation who is actively involved with social media, at the decision-making stage it is very possible to share opinions through electronic word of mouth (e-WOM), both positive and negative e-WOM.

People's need for a similar product can be owned by many similar products with different brands. When consumers decide to buy a product, they

actually have certain reasons for choosing a product, for example being satisfied with the quality and services offered by the product (Syamsurizal, 2020). Purchasing decision according to Kotler (2009: 188) is an act of consumers to form a reference between brands in the choice group and buy the preferred product. Consumer demands to get products that suit the interests of the community is a challenge for companies to realize the wishes of consumers.

Table 1. 1 Top Local Brand Indonesia, 2021

Brand	Top Local Brand
Erigo	1
Hijup	2
3 Second	3
Roughneck 1991	4
Maternal Disaster	5
Thanksinsomnia	6
Theblank	7
This is April	8
Livehaf	9
Screamous	10

Source : Magezy, 2021

Based on table 1.1, According to Magezy (2021), This is April is on the eight level in the order of top local brand Indonesia 2021. According to Lee (2021) on the Tokopedia website, This is April at this difficult time due to the Covid-19 pandemic, This is April is one of the local fashion brands founded by Maria Anggaraini that can rise from adversity and is currently able to increase online and offline sales significantly up to 400 times the usual production. According to Lee (2021) The target consumers of This is April are female aged 20-45 years or the millennial generation and have social status middle class

with various jobs. This is April uses social media as a means of providing information in digital forms such as Website, Instagram, and Youtube. Because social media makes it easier for all of us to make communication more effective for marketing and promotion.

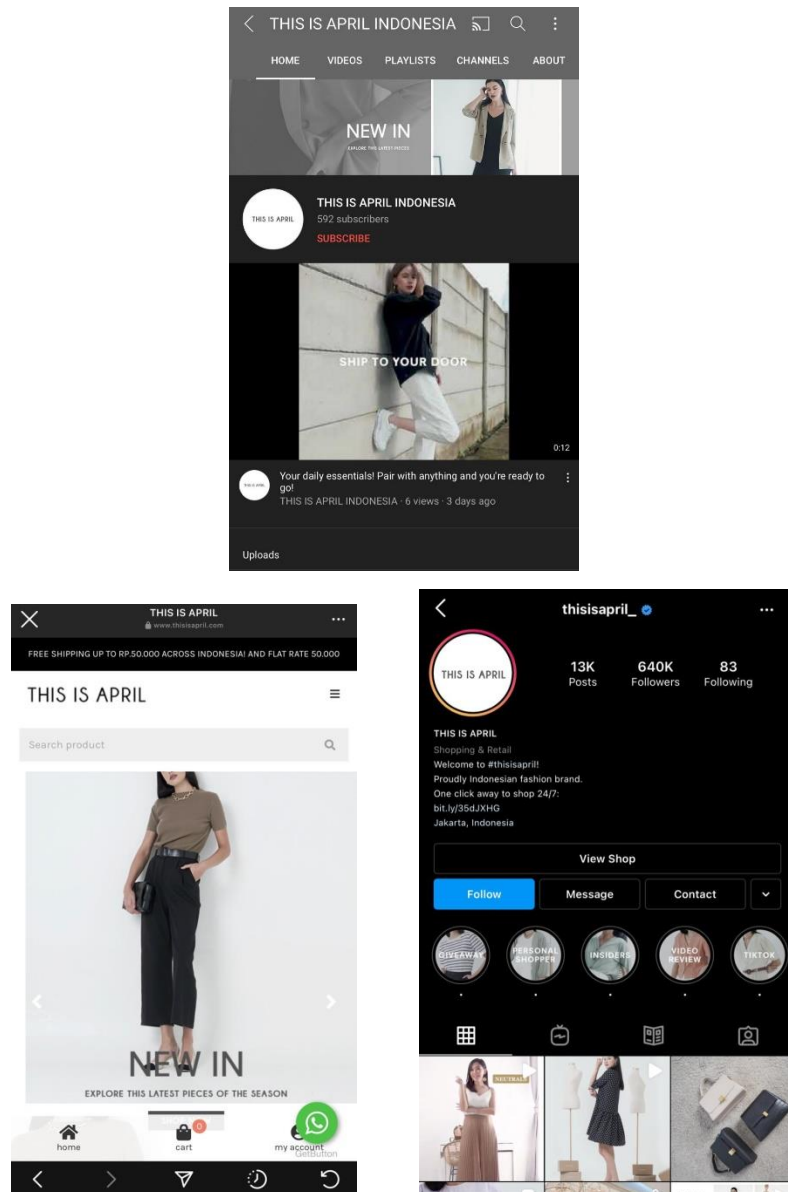


Figure 1. 7 Social Media and Website of This is April

Source: Instagram, Youtube, and Website

The social media Instagram and Youtube used by This is April are always updated and provide a lot of information such as discounts or new models. This is April Instagram is quite active in updating the latest information on its feed. Instagram is one of the most used platforms for content marketing purposes. In addition, it is also supported by Instagram's ability to produce video content that can be used as an advertisement.

Table 1. 2 Product Sales, 2021

Online Buying and Selling Site

Brand	Product Sale
Erigo	500.000 pcs
This is April	120.000 pcs
Cotton Ink	8.000 pcs

Source : Data Process by Author, 2021

Based on table 1.2 according to Entrepreneur Website (2021) This is April sells 120,000 pcs per year, while Based on Kontan Website (2021) Erigo is superior because it can sell 500,000 pcs per year. It can be seen that This is April is still under Erigo. This is April has many offline stores spread across Indonesia, while Erigo is a clothing store that does not have an offline store, but rather sells its clothes offline through a tour with a stand.

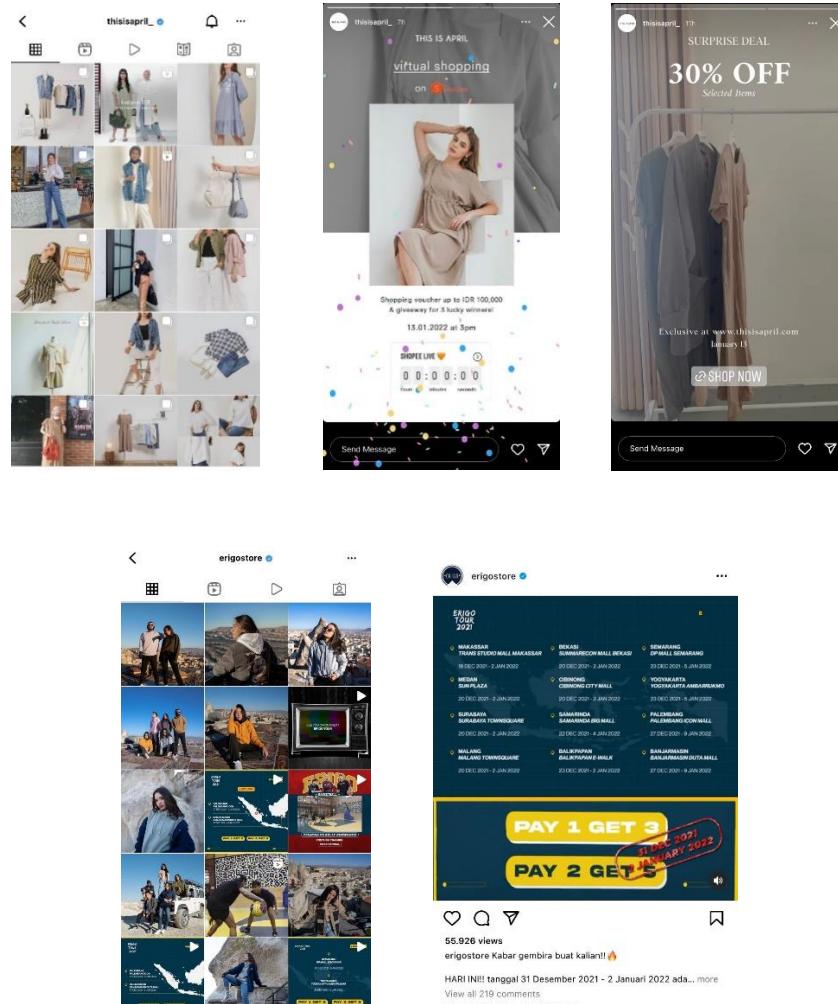


Figure 1. 8 Social Media Activity This is April and Erigo

Source : Instagram This is April and Erigo

Based on figure 1.8, research in social media activities for This is April and Erigo. This is April is very active on social media, especially Instagram, This is April every day post about sales, outfit ideas, outfit tips, discounts, promos and others. Then with Erigo, Erigo is also active on his social media, especially Instagram and posts on his feeds every day. Erigo also often holds tours to several cities in Indonesia and holds big promotions. Therefore, the

author uses This is April as an object. Because, the author wants to know why This is April is at the bottom and sales below Erigo even though This is April also has a big promotion and has many offline stores in Indonesia while Erigo only has an online store and offline tour store. Related to this phenomenon, research has been conducted to explore the influence of social media and peer influence in on purchasing decisions.

Therefore, this study was used to analyze the influence of social media and peer influence on the millennial generation on purchase decisions through E-WoM as an intervening variable. Several factors must be investigated, such as the influence of social media activities on the purchase decision of This is April. Furthermore, the influence of peer influence on the purchase decision of This is April. Lastly, the effect of E-WoM on the purchase decision of This is April. This research was conducted on the millennial generation, which is based on the target market of This is April, namely the millennial generation.

From the results of several studies described above, it is important to investigate whether shoppers (especially shoppers at This is April) feel influenced by social media and peers on E-WoM to buy goods from the This is April store. This study aims to expand research on purchasing decisions by buyers from This is April. Based on the phenomena and descriptions described above, the authors interested in conducting research using the variables of Purchase Decision, Social Media, and E-WoM to find out how much influence E-WoM has on the use of social media on consumer purchasing decisions. on products from This is April. , this is the background for the author to conduct a study entitled **"The Effect of Social Media Use and Peer Influence in The Millenial Generation on Purchase Decisions Through E-WoM as Intervening Variable in This is April"**.

1.3 Research Questions

Based on the background described above, the research questions in this study are:

1. What is the respondent's perception towards Social Media Use that provided on This is April ?
2. What is the respondent's perception towards Peer Influence that provided on This is April ?
3. What is the respondent's perception towards E-WoM that provided on This is April ?
4. What is the respondent's perception towards Purchase Decision that provided on This is April ?
5. How big is the positive effect Social Media towards E-Wom on This is April?
6. How big is the positive effect Peer Influence towards E-Wom on This is April?
7. How big is the positive effect Social Media towards Purchase Decision on This is April ?
8. How big is the positive effect Peer Influence towards Purchase Decision on This is April ?
9. How big is the positive effect of Social Media, Peer Influence, and E-WoM towards Purchase Decision on This is April ?
10. How big is the positive effect Social Media and Peer Influence towards Purchase Decision through E-WoM on This is April ?

1.4 Research Objectives

Based on the research questions posed by the author, the objectives of this study are:

1. To determine about social media use provided on This is April according to the respondent.

2. To determine about the peer influence provided on This is April according to the respondent.
3. To determine about the E-WoM provided on This is April according to the respondent.
4. To determine about the purchase decision use provided on This is April according to the respondent.
5. To determine whether there is a positive effect Social Media towards E-WoM for This is April according to the respondent.
6. To determine whether there is a positive effect Peer Influence towards E-WoM for This is April according to the respondent.
7. To determine whether there is a positive effect between Social Media towards Purchase Decision on This is April according to the respondent.
8. To determine whether there is a positive effect between Peer Influence towards Purchase Decision on This is April according to the respondent.
9. To determine whether there is a positive effect between Social Media, Peer Influence, and E-WoM towards Purchase Decision on This is April according to the respondent.
10. To determine whether there is a positive effect between Social Media, Peer Influence towards Purchase Decision through E-WoM on This is April according to the respondent.

1.5 Benefits of Research

This research is about The Influence of the Use of Social Media in E-WOM Use on April Purchase Decisions (Survey on This is April Buyer), the authors expect the use of this research both theoretically and practically:

1.5.1 Theoretical Benefit

The results of this study are expected to be able to develop and apply the knowledge of marketing that has been obtained in lectures. And it is expected to be useful as reference material and additional thoughts on the effects of social media in E-WOM for further research.

1.5.2 Practical Benefit

1. For Business Actors

From this study, the authors hope to produce findings that can be useful for marketers and business people in determining the right strategy, especially in the use of social media.

2. For Consumers

This research is expected to provide benefits in the form of knowledge to consumers about social media implemented by This is April.

1.6 Systematics of Writing

Systematics of writing is used to facilitate readers in providing directions and descriptions of the material contained in the writing of this thesis so that the authors compile them as follows:

CHAPTER I. INTRODUCTION

This chapter explains, in general, the object of research, background, problem formulation, objectives, uses, and research systematics.

CHAPTER II. LITERATURE REVIEW

This chapter describes the topics and variables used for research, such as theory, frameworks, and hypothesis formulation. This chapter consists of sub-chapters summarizing the theory and framework of thought.

CHAPTER III. RESEARCH METHODS

This chapter describes the approaches, methods, and techniques used in collecting and analyzing data. This chapter includes a description of the types of research operational variables, research stages, population and samples, data collection, and data analysis techniques.

CHAPTER IV. RESEARCH RESULTS AND DISCUSSION

This chapter describes the results of the research and systematically by the formulation of problems and research objectives. This chapter consists of a description of the research results and a discussion.

CHAPTER V. CONCLUSIONS AND SUGGESTIONS

This chapter describes the conclusions from the research results and suggestions that can be taken into consideration for the company.